CEMENT CONCRETE & AGGREGATES AUSTRALIA

13 February 2026

EPBC Reform Taskforce
Department of Climate Change, Energy, the Environment and Water
Canberra ACT

Via: DCCEEW website

CCAA submission on the Draft Environmental Offsets Standard, Exposure Draft Offsets Standard, Draft MNES Standard and Draft MNES Legislative Instrument

Dear Officials

Cement Concrete & Aggregates Australia (CCAA) welcomes the opportunity to provide this submission on the four documents: Draft Environmental Offsets Standard Policy Paper, the Exposure Draft National Environmental Standard (Environmental Offsets) 2025, the Draft MNES (Matters of National Environmental Significance) Standard, and the Draft MNES Legislative Instrument.

CCAA strongly supports the intent of the EPBC reforms to deliver clearer, more predictable, and more effective environmental outcomes. However, our review identifies several structural aspects of the current drafting that may create practical and approval-stage challenges for certain long-life, staged quarry developments, and which may unintentionally undermine the delivery of those objectives.

A key concern is that, across multiple principles, the four documents use different terminology, define core concepts differently, or create conflicting obligations. These inconsistencies reduce transparency, impede operability and increase regulatory risk, particularly where proponents must demonstrate feasibility at the project-approval stage. Full alignment of definitions, obligations and offset concepts across both documents is essential.

In addition to these inconsistencies, the proposed Offsets frameworks contain several practical limitations for staged extractive operations, including:

- difficulty in undertaking a meaningful feasibility assessment for some long-life, staged projects at the project-approval stage;
- constraints on the availability of indirect offsets, including reliance on conservation planning documents to identify permissible indirect offset pathways, which may limit access to workable offsets;
- the absence of a clear, quantitative “net-gain” methodology, creating substantial approval uncertainty;
- an unclear relationship between “significant impacts”, “residual significant impacts” and “unacceptable impacts”;
- no mechanism for integrating State and Commonwealth offset systems under accreditation, risking duplication and conflicting obligations, and

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- a universal “net-gain” requirement that assumes ecological uplift is always feasible, which is not the case for many MNES values.

We also have concerns with the Draft MNES Standard, including:

- an undefined “national interest” exemption that risks inconsistent or discretionary application;
- unclear thresholds for “viable in the wild” and “irreplaceable and necessary”, which may lead to unpredictable significance and unacceptable-impact decisions;
- inconsistent treatment of “repair”, “rehabilitation” and “progressive rehabilitation”, risking misclassification of standard quarry practices, and
- undefined concepts such as “restoration” and “averted loss” in the compensation hierarchy, limiting workability for proponents and assessors.

Our submission also proposes a suite of practical, constructive reforms to address these issues while maintaining strong ecological safeguards.

CCAA and its members are committed to supporting the Department in developing a clear, workable and environmentally robust offsets and MNES framework. We welcome continued engagement to help refine these Standards and ensure the reforms deliver practical and effective outcomes for both industry and the environment.

Should officials wish to discuss this matter, please contact CCAA’s Industry Policy Director, Mr David Rynne via [redacted] and [redacted]

Yours sincerely

[redacted]

MICHAEL KILGARIFF
Chief Executive Officer

About CCAA

CCAA is the voice of the $15 Billion heavy construction materials industry representing cement manufacturers, concrete suppliers, and extractive operators throughout Australia.

Our members range from large global companies to SMEs and family operated businesses and are engaged in the quarrying of sand, stone and gravel, the manufacture of cement and the supply of pre-mixed concrete.

These businesses service local, regional, and national construction and infrastructure markets to meet Australia’s building and construction needs through the provision of roads, railways, bridges, ports, airports, hospitals, schools, and footpaths.

Full CCAA submission

Issues with the Draft Environmental Offsets Standard Policy Paper and Legislative Standard

1. Feasibility for long-life, staged developments

What the Draft Environmental Offsets Standard says

Principle 1 of the Draft Environmental Offsets Standard requires that offsets for an action be demonstrated as *feasible* at the time a decision is made. Feasibility is framed as the proponent's ability to identify, secure and deliver offsets capable of addressing residual significant impacts.

While the Standard recognises that offsets may be delivered in stages, it does not clearly distinguish between a high-level, strategic assessment of feasibility at the project-approval stage and the detailed identification of offsets for individual stages of development.

Why this is problematic for some long-life, staged quarry developments

Quarry developments operate over long timeframes, and some involve clearly defined, discrete stages that may occur many years or decades apart. For these projects, the precise location, scale and sequencing of later stages can evolve over time in response to geological conditions, market demand, design refinement and operational considerations.

In these circumstances, requiring proponents to demonstrate detailed feasibility of offsets for all future stages at the time of initial project approval can be impractical. While a proponent may be able to demonstrate, at a strategic level, that offsets are generally feasible for the project, the availability, condition and suitability of specific offset land or mechanisms for later stages cannot always be reliably identified many years in advance.

It is important to note that this issue does not arise for all quarry projects. Where staging is limited, or impacts are well defined and occur over shorter timeframes, demonstrating feasibility at approval may be straightforward. However, for some long-life, staged quarry developments, a more flexible approach is required.

Why feasibility at approval should be high-level and strategic

At the project-approval stage, feasibility assessment should be focused on whether, in principle, appropriate offset pathways are available and capable of being delivered, rather than requiring proponents to lock in detailed, stage-specific offsets prematurely.

Requiring detailed feasibility for all future stages at approval can:

- force speculative identification of offsets for impacts that will not occur for many years;
- reduce the ability to adapt staging and offset strategies over time;
- increase approval risk due to uncertainty that is inherent rather than avoidable, and
- undermine investment certainty for projects that are otherwise capable of delivering appropriate environmental outcomes.

A high-level, strategic feasibility assessment at approval, followed by more detailed feasibility confirmation as each stage proceeds, better reflects how long-life quarry developments operate in practice.

Proposed refinements

To ensure Principle 1 is workable while maintaining environmental integrity, CCAA recommends that the Standard:

1. **Clarify that feasibility at approval is high-level and strategic.**
   The Standard should confirm that, at the project-approval stage, proponents are required to demonstrate that offsets are feasible in principle, rather than identify and secure detailed offsets for all future stages.

2. **Provide for stage-specific feasibility confirmation.**
   For long-life, staged developments, detailed feasibility should be demonstrated for each stage prior to the commencement of impacts associated with that stage.

3. **Allow stage footprints to be confirmed when offsets are nominated.**
   The Standard should explicitly allow the extent and location of each stage to be defined at the time offsets for that stage are identified and secured.

4. **Embed flexibility for staged developments.**
   The feasibility principle should expressly recognise that some developments involve discrete stages over long timeframes, and provide a clear pathway for staged feasibility assessment to support certainty for proponents, regulators and the community

2. Direct and Tangible Offsets and Access to Indirect Offset Pathways

What the Draft Environmental Offsets Standard says

Principle 3 requires offsets to be *direct and tangible*. The Draft Standard also permits the use of indirect offsets but limits their availability to circumstances where they are identified in relevant conservation planning documents.

This approach prioritises on-ground, direct offsets, while treating indirect offsets as a constrained or secondary option.

Why this is problematic for geographically constrained activities

Extractive industries are inherently geographically constrained and can only operate where suitable resources occur. In many cases — particularly in near-urban or developed regions — suitable land for direct offsets may be limited or unavailable within the relevant area.

Where suitable land for direct offsets does not exist, and relevant conservation planning documents do not identify indirect offset pathways, projects may become effectively incapable of approval, regardless of their environmental performance or importance to local and regional supply chains.

This creates a disproportionate outcome for industries that are critical to the delivery of housing, infrastructure and essential services, and which cannot relocate to alternative locations to access offset land.

Why constrained access to indirect offsets is unworkable

Limiting indirect offsets to those identified in conservation planning documents can:

- prevent otherwise appropriate projects from proceeding due to land availability constraints rather than environmental considerations;
- reduce flexibility to design offsets that deliver genuine conservation outcomes in constrained landscapes;
- create inconsistent outcomes between regions depending on the existence or content of conservation plans, and
- undermine the intent of expanding offset delivery mechanisms under the reformed framework.

A rigid preference for direct offsets does not always produce better ecological outcomes, particularly where indirect actions may be more effective or the only feasible option.

Proposed refinements

To ensure this principle delivers practical and effective offset outcomes, CCAA recommends that the Standard:

1. **Enable broader access to indirect offsets where direct offsets are not practicable.**
   Indirect offsets should be available where proponents can demonstrate that suitable land for direct offsets is not reasonably available, rather than being limited to conservation planning documents.

2. **Recognise the needs of geographically constrained industries.**
   The Standard should acknowledge that certain industries cannot relocate to access offset land and require flexibility in offset delivery mechanisms.

3. **Maintain environmental integrity while improving workability.**
   Broader access to indirect offsets should be subject to clear eligibility criteria and evidence requirements, ensuring that indirect offsets deliver genuine, tangible conservation outcomes.

3. Net Gain is undefined and too discretionary

What the draft Offsets Policy Paper and Legislative Standard says

Both the Policy Paper and Legislative Standard require that residual significant impacts must achieve a “net gain” outcome. However, neither document defines what “net gain” means in quantitative or methodological terms. The Policy Paper refers to “net gain” as an overarching objective but provides no metric, no minimum quantum, and no standardised method for calculating the uplift required.

Similarly, the Legislative Standard states that offsets must deliver *sufficient improvement to result in a net gain*, but again leaves the critical details - including how net gain is to be measured, assessed, or demonstrated - to future regulations, guidance, or Ministerial judgment. No draft regulations are available alongside the Standard to explain how net gain will operate in practice.

As drafted, the framework leaves considerable scope for Ministerial or departmental discretion, without mandatory criteria or transparent decision rules to ensure consistent interpretation.

Why this is unworkable for quarries

Without a defined metric or calculation method, proponents cannot reliably forecast offset requirements at approval or for later stages. For long-life, staged quarries, the absence of a clear and consistent “net gain” methodology creates several practical problems:

- **Unpredictability in offset obligations:** Quarries cannot estimate offset costs or feasibility over multi-decade project horizons if the required uplift is undefined.
- **Inconsistent interpretation across projects and jurisdictions:** Different decision-makers may apply different expectations of what constitutes net gain, leading to uncertainty, inconsistency, and potential inequity.
- **Approval risk:** If net gain requirements are unclear or evolving, proponents may be unable to demonstrate offset feasibility during the EPBC approval process — increasing the risk that approvals are delayed or refused.
- **Staged-project uncertainty:** For quarries with multiple stages occurring over many decades, undefined net gain rules create a moving target. Operators face the risk that later stages may be held to different or more onerous net gain interpretations, even when the project has already been approved.

The lack of a transparent, metric-based net gain framework makes it almost impossible for proponents to understand, plan for, or comply with offset requirements over the life of long-term projects.

Proposed solutions

To give proponents and regulators the certainty required to apply net-gain obligations fairly and consistently, the following refinements should be reflected in both documents.

a) Establish a transparent, metric-based definition of net gain

Net gain should be defined using a standardised, quantitative method (e.g., habitat hectares or equivalent ecological scoring), ensuring consistency across projects and jurisdictions.

b) Release draft regulations alongside the Standard

Regulations should be published concurrently with the Standard so proponents can understand how net gain will be calculated and demonstrate feasibility at the approval stage.

c) Limit Ministerial discretion through mandatory decision criteria

The Standard should include clear, mandatory factors that decision-makers must apply when determining whether an offset delivers "net gain", reducing subjectivity and promoting consistent, predictable outcomes.

4. Unclear Relationship Between 'Significant Residual Impacts', and 'Unacceptable Impacts and the associated 'Significant Impacts'

What the draft Offsets Policy Paper, Legislative Standard and Senate Amendments say

The Policy Paper and Legislative Standard introduce three separate impact tests:

1. **Significant impacts** – the EPBC impact test that triggers the need for approval.

2. **Residual significant impacts** – impacts that remain after avoidance and mitigation and must be offset via the net gain requirement.

3. **Unacceptable impacts** – impacts that *cannot* be approved and must be refused.

The Policy Paper does **not** explain how these tests interact or how a proponent should distinguish a "significant but offsettable" impact from an "unacceptable" impact.

The Legislative Standard also references these concepts but **c**ontains no hierarchy, thresholds or criteria to guide their application.

The Senate amendments reinforced the importance of the unacceptable-impact test by inserting it into numerous decision points across accreditation, declarations and bilateral agreements. They also introduced helpful definitional clarity by adding a new "severe nature and extent" threshold to terms such as *serious damage* and *seriously impairs*. This improvement narrows the scope of what may be considered "serious" or "unacceptable."

However, these amendments did not address the core structural problem: even with improved definitions, the Bill, Standards and Policy Paper still do not explain how the three impact tests relate to one another. There is still no guidance on:

- when a significant impact becomes an unacceptable impact;
- when a residual significant impact remains offsettable;
- how the unacceptable-impact test interacts with the mitigation hierarchy, or
- how these tests should operate for staged projects over 20–80 years.

In short, the Senate amendments clarified *what "serious" means*, but did **not** clarify *how the impact tests fit together*. The amendments strengthen the prominence of the unacceptable-impact test but do not resolve the fundamental ambiguity in the framework.

Why this is unworkable for quarries

For long-life, staged quarry developments, the lack of a clear relationship between these three impact tests creates material approval and investment risk:

- No clear boundaries between significant, offsettable and unacceptable impacts.
- Inconsistent interpretations likely between regulators, jurisdictions and accredited processes.
- Approval-stage uncertainty, as proponents cannot demonstrate feasibility if they cannot determine which impacts are offsettable.
- Risk that later stages may be reinterpreted as unacceptable despite an approval being granted decades earlier.
- Greater exposure to policy drift, because the unacceptable-impact test now appears in more decision points but is still undefined in the Standard.

The result is a framework where proponents cannot reliably forecast regulatory expectations or offset feasibility across the life of staged projects, undermining approval certainty and long-term investment planning.

Proposed solutions

To ensure clarity, consistency and proportionality in the application of impact tests across both documents, the following refinements should be incorporated into the Policy Paper and Legislative Standard.

1. Establish a clear, explicit hierarchy between the three tests

Define:

- when the EPBC “significant impact” test triggers assessment;
- when an impact becomes a “residual significant impact” requiring offsets, and
- when an impact is “unacceptable” and therefore prohibited.

This hierarchy should be embedded directly in the Standard.

2. Provide objective criteria and case examples for unacceptable impacts

Publish measurable criteria identifying when an impact is truly unacceptable (e.g., irreversible loss, no feasible offset, conflicts with protection statements).

Provide case studies so proponents and regulators can apply the tests consistently.

3. Apply proportionality for staged, moderate-impact resource projects

Confirm that staged quarry operations with moderate, well-mitigated impacts are generally offsettable, unless clearly defined unacceptable-impact criteria are triggered.

Avoid inadvertently capturing routine or reversible impacts within the unacceptable category.

5. No Framework for Integrating State and Commonwealth Offset Requirements

What the draft Offsets Policy Paper and Legislative Standard says

The Policy Paper and Legislative Standard state that, under accreditation, State and Territory assessment processes may be used to deliver outcomes that meet Commonwealth net gain requirements. The intent is that State systems can be "accredited" to avoid duplication and streamline environmental approvals.

However:

- Neither the Policy Paper nor the Standard explains how State offsets will be recognised, converted, or credited toward Commonwealth obligations.
- No methodology is provided for translating State offset metrics (e.g., habitat hectares, biodiversity units, species-specific calculators) into the Commonwealth's net-gain requirement.
- No rules are provided to determine when a State offset is sufficient to satisfy a Commonwealth offset, or whether additional offsets would be required.

Why this is unworkable for quarries

For long-life, staged quarries operating in State systems with well-established offset frameworks, the absence of integration rules creates multiple practical and regulatory risks:

- **Duplication risk:** Proponents may be required to secure offsets under State legislation and separate, additional offsets under the Commonwealth's net-gain requirement - even for the same impact.
- **Conflicting metrics:** If State and Commonwealth systems use different calculators, different significance tests, or different uplift ratios, proponents may be forced to design offsets twice using incompatible methods.
- **No recognition of existing State offsets:** A quarry may deliver substantial offsets under State law but receive no Commonwealth credit, forcing unnecessary re-offsetting or double payment.
- **Approval-stage uncertainty:** Without a mechanism showing how State offsets will satisfy Commonwealth obligations, proponents cannot demonstrate offset feasibility at the EPBC approval stage.
- **Staging complications:** Over a 20–80+ year quarry life, accreditation arrangements may change, leaving later stages exposed to conflicting State and Commonwealth expectations.
- **Operational inefficiency:** Different jurisdictions applying net gain differently increases cost, delays and regulatory complexity — undermining the purpose of accreditation.

In short, the accreditation system lacks the essential machinery needed to reconcile State and Commonwealth offset obligations, making it impossible for proponents to plan offsets with confidence.

Proposed solutions

To provide certainty and prevent duplication, the following mechanisms should be incorporated into the Policy Paper and Legislative Standard.

1. Require bilateral agreements to include clear, binding offset-recognition rules

Bilateral agreements must specify when a State-approved offset:

- automatically satisfies Commonwealth requirements;
- requires conversion to a Commonwealth metric, or
- requires supplementary actions to meet net-gain standards.

2. Adopt a single national offset calculator where possible

A consistent, nationally applicable offset metric (or conversion tool) would:

- align State and Commonwealth methodologies;
- reduce duplication;
- improve transparency, and
- allow proponents to design a single offset program for both systems.

3. Prevent double-offsetting and conflicting obligations

The framework should explicitly state that:

- a single offset action should not be required to satisfy the same impact twice;
- Commonwealth and State obligations must not conflict or impose incompatible uplift ratios, and
- accredited systems must demonstrate alignment of offset rules, not merely process equivalence.

6. When Net Gain may not be achievable the Standard requires a more realistic test

What the draft Offsets Policy Paper and Legislative Standard says

The Policy Paper and Legislative Standard require that all residual significant impacts must be fully compensated to deliver a “net gain” for the relevant protected matter. “Net gain” is framed as a universal outcome:

- it applies to all MNES values;

- must be achieved regardless of landscape context, and
- must be demonstrated for every stage of a project.

Neither document recognises limits on ecological feasibility, nor provides a mechanism for circumstances where net gain is scientifically or practically unattainable. There is also no feasibility test, no tiered outcome pathway, and no explicit recognition that some MNES values have inherently limited uplift potential.

The Standard also assumes that like-for-like offsets are always available and capable of delivering positive ecological change - an assumption that does not hold for many protected communities or species with slow recovery trajectories, poor recruitment, highly fragmented distributions, or very limited restoration potential.

Why this is unworkable for quarries

For long-life, staged quarry operations, the rigid “net-gain” requirement creates several significant issues:

- **Net gain is not scientifically achievable for some MNES values.**
  Certain ecological communities and species simply cannot be restored to a higher condition within any reasonable timeframe due to slow growth, structural complexity, low regeneration potential, or poor recruitment.
- **Offset supply constraints make net gain unrealistic.**
  Strict like-for-like rules and limited available habitat mean that uplift opportunities may not exist within the required bioregion or may already be exhausted.
- **Net gain may be unattainable even for moderate, well-managed impacts.**
  Progressive rehabilitation, impact minimisation and long-term ecological management may still be insufficient to achieve a measurable net-gain outcome where uplift is inherently constrained.
- **Staged projects face compounded feasibility risk.**
  Later stages may become non-compliant if net gain requirements tighten or uplift potential diminishes over time - creating unacceptable sovereign risk for multi-decade operations.
- **Approval risk increases if net gain must be demonstrated up-front.**
  Proponents may be unable to certify that net gain can be achieved decades into the future, making it difficult to obtain initial EPBC approval.

Rigid net-gain expectations therefore create both ecological distortion and regulatory infeasibility, particularly for projects operating over long horizons in landscapes with low uplift capacity.

Proposed solutions

To ensure the offset framework is ecologically grounded, feasible and proportionate, the following refinements should be incorporated into the Policy Paper and Legislative Standard.

1. Introduce a tiered outcome test.

Allow alternative outcomes - such as “no net loss”, “ecologically positive outcome”, or “best practicable ecological outcome”- where true net gain is not realistic or scientifically supported.

2. Insert a feasibility or reasonableness clause.

Require regulators to consider ecological feasibility when determining whether net gain can be achieved, and allow alternative offset pathways where uplift is inherently limited.

3. Provide an exemption or alternative pathway for MNES values with limited uplift potential.

Identify ecological communities or species for which net gain is not scientifically viable and provide tailored offset approaches (e.g., threat mitigation, strategic conservation investments).

4. Provide clear criteria for when alternative offsets may be accepted.

Establish transparent rules for circumstances where strict like-for-like offsets cannot be achieved, including how “alignment with attributes and functions” will be assessed for different species and ecological communities.

5. Recognise progressive rehabilitation

Ensure the framework explicitly credits progressive rehabilitation and long-term land stewardship as contributing to meaningful ecological outcomes, particularly in staged quarry operations.

Issues with the Draft MNES Standard

7. Undefined "National Interest" Exemption.

What the draft MNES Policy Paper and Legislative Standard says

Both the Legislative Standard and the MNES Policy Paper enable the Minister to depart from the requirements of the MNES Standard where doing so is considered to be "in the national interest." The Legislative Standard does not define "national interest", set thresholds, or specify decision criteria. It simply states that an action or decision may be inconsistent with the Standard if the Minister reasonably believes doing so is necessary to deliver a national-interest outcome.

The Policy Paper reiterates this exemption, stating that departures from the Standard may occur in "rare circumstances", but it does not explain what constitutes a rare circumstance, nor does it describe how environmental, economic, social or strategic factors should be balanced.

As drafted, both documents establish a broad discretionary power without operational guidance, leaving proponents unclear about when, how, and on what basis the exemption may be invoked.

Why this is unworkable for quarries.

For long-life quarry operations requiring approval certainty, an undefined "national interest" exemption introduces substantial regulatory risk:

- The exemption can be applied inconsistently across decisions, jurisdictions, and Ministers.
- It creates potential for political variability, reducing investor confidence in projects that rely on stable regulatory settings.
- Because MNES protection is itself arguably in "the national interest," the clause is circular and could be interpreted either to restrict or to enable project approvals.
- Projects may face unpredictable override decisions late in assessment processes, undermining multi-decade planning.

Proposed solutions

To ensure transparency and regulatory certainty, the following amendments should be adopted:

1. *Define "national interest" in the MNES Standard, including mandatory criteria such as economic significance, essential infrastructure needs, or strategic resource supply considerations.*
2. *Require publication of reasons whenever the exemption is invoked.*
3. *Limit the exemption to exceptional circumstances, not routine decision-making.*

8. Undefined Thresholds for "Viable in the Wild" and "Irreplaceable and Necessary"

What the draft MNES Policy Paper and Legislative Standard says

The Legislative Standard uses ecological viability tests - such as whether a species or ecological community remains "viable in the wild" or whether habitat is "irreplaceable and necessary" - to determine protection objectives for MNES values. These thresholds are used across multiple categories of protected matters and influence whether impacts are acceptable, residual significant, or potentially unacceptable.

However, the Legislative Standard provides no definitions, metrics, or methodologies for determining viability or irreplaceability. No parameters are provided for evaluating population size, fragmentation, functional role, distribution, recruitment, resilience, or recovery potential.

The Policy Paper similarly refers to viability-based thresholds but does not elaborate on the ecological or regulatory criteria for determining when MNES values remain viable in the wild, or how these tests interact with the unacceptable-impact provisions or the EPBC significance tests.

Both documents establish viability as a central regulatory concept but leave it undefined and operationally unclear.

Why this is unworkable for quarries

Without clear thresholds:

- Decision-makers may apply **subjective interpretations** that vary widely between projects or assessment officers.
- Proponents may be unable to predict whether moderate, reversible impacts will be considered too close to viability limits, especially for small or fragmented ecological communities.
- The absence of definitions increases the risk of unreasonable offset demands, late-stage reclassification of impacts, or refusals.
- Failure to define viability undermines long-term planning for staged quarries operating over 20–80+ years.

Proposed solutions

Clear, objective definitions should be incorporated into the MNES Standard, including:

1. *Criteria for determining population viability, ecological function, and recovery potential.*
2. *Methods for assessing irreplaceability, such as spatial rarity, functional uniqueness, or genetic distinctiveness.*
3. *Clear guidance confirming that moderate, mitigable impacts on MNES values far from viability thresholds remain offsettable.*

9. Inconsistent Use of "Repair", "Rehabilitation" and "Progressive Rehabilitation"

What the draft MNES Policy Paper and Legislative Standard says

The Legislative Standard distinguishes repair - defined as addressing minimal and temporary impacts "as soon as possible" - from rehabilitation, which occurs after a stage or action is complete. The Standard explicitly states that "repair" does not include rehabilitation or restoration activities undertaken after the impact has ceased.

The MNES Policy Paper reinforces this distinction, stating that progressive rehabilitation is not considered "repair", and therefore does not reduce the scale of residual significant impacts prior to offsets being calculated.

However, in other sections the Policy Paper refers to "effective and appropriate repair and rehabilitation," creating ambiguity about whether some forms of rehabilitation may operate as mitigation in certain circumstances. Neither document defines progressive rehabilitation, nor clarifies whether it may reduce residual impacts for staged developments such as quarries.

Together, this creates an unclear and inconsistent treatment of core environmental management practices.

Why this is unworkable for quarries.

Quarries rely heavily on progressive rehabilitation as an essential part of best-practice environmental management. Inconsistent terminology risks:

- regulators treating progressive rehabilitation as neither repair nor offset, leaving it uncredited;
- increased offset burdens where rehabilitation should be recognised as mitigation;
- inconsistent decisions between staged actions or between different regulators;
- uncertainty over compliance expectations for multi-decade operations.

Proposed solutions

To ensure clarity and consistent application:

1. *Align all terminology - define "repair," "rehabilitation," and "progressive rehabilitation" and specify which actions fall under mitigation versus offsets.*
2. *Explicitly recognise progressive rehabilitation as a valid environmental contribution that reduces the scale of residual impacts.*
3. *Provide examples demonstrating how rehabilitation interacts with offset requirements for extractive industries.*

10. Undefined Concepts: "Restoration" and "Averted Loss" in the Compensation Hierarchy

What the draft MNES Policy Paper and Legislative Standard says

The MNES Policy Paper introduces a compensation hierarchy in which residual significant impacts must be addressed through two categories of offsets: restoration and averted loss. It describes restoration as actions designed to improve ecological condition, and averted loss as preventing foreseeable declines in MNES values.

However, the Draft MNES Legislative Standard does not define either "restoration" or "averted loss," nor does it describe the criteria, evidence standards, uplift requirements, feasibility considerations or timeframes needed to demonstrate ecological outcomes under these offset types.

Neither document explains when restoration versus averted-loss offsets are appropriate, how they must align with like-for-like requirements, or how they contribute to net-gain obligations.

As drafted, the framework references these offset types but provides no operational detail to guide proponents or regulators in designing or assessing them.

Why this is unworkable for quarries.

Without definitions:

- Decision-makers cannot apply the hierarchy consistently.
- Proponents cannot design offsets that reliably meet expectations.
- Projects may experience delays, rework, or **rejection** due to unclear or shifting interpretations.
- It becomes difficult to evaluate whether an offset proposal represents a legitimate restoration action or a speculative averted-loss claim.

Given the long timeframes for ecological restoration, the absence of definitions creates significant uncertainty for staged quarry operations.

Proposed solutions:

To ensure transparent and consistent implementation:

1. *Define "restoration" (activities restoring ecological condition, structure or function) and specify minimum evidence standards.*
2. *Define "averted loss" (actions preventing foreseeable decline), including criteria for demonstrating additionality.*
3. *Require consistent assessment criteria to evaluate both types of offsets across jurisdictions and project stages.*

End.